ASIAMEDIC LIMITED
(Incorporated in the Republic of Singapore)
Company Registration No.: 197401556E

LOAN FACILITY FROM CONTROLLING SHAREHOLDER

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1. INTRODUCTION

The Board of Directors of AsiaMedic Limited (the "**Company**") (and together its subsidiaries, the "**Group**") wishes to announce that it has entered into a loan agreement (the "**Loan Agreement**") dated 1 March 2018 with Luye Medicals Group Pte. Ltd. ("**LMG**"), pursuant to which LMG has agreed to extend an unsecured, interest-bearing loan facility of up to an aggregate principal amount of S$5,000,000 to the Company (the "**Facility**"). The proceeds from the Facility will be principally utilised for the Group's working capital, capital expenditure and general corporate purposes.

LMG is a controlling shareholder (as defined in Listing Manual Section B: Rules of Catalist ("**Catalist Rules**")) of the Company and as at the date of this announcement has a direct interest in 95,431,396 ordinary shares in the capital of the Company ("**Shares**") representing approximately 24.44% of the entire issued share capital of the Company (excluding treasury shares).

2. SALIENT TERMS AND CONDITIONS

The terms and conditions of the Facility were negotiated and agreed upon by the parties on an arm's length basis.

The salient terms and conditions of the Facility are set out below:

Principal Amount	:	Up to S$5,000,000
Drawdown	:	The Facility shall be available for a period of 24 months from the date of the Loan Agreement during which, upon the written request of the Company, LMG shall disburse to the Company sums pursuant to the Facility in multiples of S$1,000,000.
Interest	:	Interest shall be determined at and accrue from the date of each disbursement, and shall be calculated based on the rate not exceeding the average per annum rate of the prime lending rates of (i) DBS Bank Ltd.; (ii) Oversea-Chinese Banking Corporation Limited; and (iii) United Overseas Bank Limited ("**Reference Banks**") as at the date disbursement.
Term	:	12 months from the date of each disbursement. The term may be extended by mutual agreement in writing of LMG and the Company.

Repayment	:	Subject to the provisions of the Loan Agreement and taking into account any portion of the outstanding amounts under the Facility which have been prepaid, all outstanding amounts and interest accrued thereon in respect of each disbursement under the Facility shall be repaid in full by the Company by the maturity date of such disbursement.
Prepayment	:	The Company may, at its absolute discretion, prepay any outstanding sums and/or interest accrued thereon under the Facility at any time prior to the relevant maturity dates. No fees, expenses or charges shall be payable by the Company on any amounts prepaid by the Company.

3. RATIONALE AND BENEFIT

The Facility allows the Company to obtain financing at commercially competitive interest rates to supplement its cash resources without having to furnish security to third-party financial institutions, which allows the Company to retain the flexibility to conduct its business and operations.

4. INTERESTED PERSON TRANSACTIONS

LMG is a controlling shareholder of the Company. Accordingly, LMG is an "interested person" for the purposes of Chapter 9 of the Catalist Rules.

Based on the average per annum rate of the latest available prime lending rates of the Reference Banks as at the date of the Loan Agreement, the maximum amount at risk to the Company is S$237,500 (assuming the full amount available under the Facility is drawn down on the date hereof by the Company for a term of 12 months with no extension), which represents approximately 3.12% of the Group's latest unaudited consolidated net tangible assets as at 31 December 2017 of S$7.61 million.

The value of the aforesaid interested person transaction does not exceed 5% of the Group's latest unaudited consolidated NTA. As such, the maximum amount at risk to the Group in respect of the Facility does not exceed the relevant threshold required for Shareholders' approval under Rule 906(1) of the Catalist Rules.

The Group has an existing general mandate for interested person transactions (the "**Existing IPT Mandate**") which was approved by its Shareholders at the extraordinary general meeting held on 24 April 2017 ("**April 2017 EGM**"), to authorise the Company and its subsidiaries which are considered to be "entities at risk" within the meaning of Rule 904(2) of the Catalist Rules to enter into certain categories of transactions with specified classes of the Company's interested persons provided that such transactions are entered into on normal commercial terms and are not prejudicial to the interests of the Group and the Company's minority shareholders. Particulars of the Existing IPT Mandate were set out in the circular to Shareholders dated 7 April 2017 and the Ordinary Resolution set out in the Notice of the April 2017 EGM. The aggregate value of interested person transactions conducted under the Existing IPT Mandate for the current financial period from 1 January 2018 to 28 February 2018 was S$53,000.

As announced by the Company on 20 April 2017, 27 October 2017 and 28 February 2018, the Company had entered into a conditional sale and purchase agreement with LMG and three other vendors for the proposed acquisition by the Company of the entire issued and paid up share capital of LuyeEllium Healthcare Co., Ltd. for an aggregate consideration of S$42,168,000 (the "**Proposed Acquisition**"). The Company will be seeking Shareholders' approval for the transaction in due course.

For the current financial period from 1 January 2018 up to the date of this announcement, save for the Loan Agreement, the Proposed Acquisition and the transactions carried out pursuant to the Existing IPT Mandate, there are no other interested person transactions (excluding transactions below S$100,000) entered into by the Group with its interested persons (including LMG and its associates).

5 AUDIT AND RISK MANAGEMENT COMMITTEE STATEMENT

The Audit and Risk Management Committee of the Company (currently comprising Mr Goh Kian Chee, Dr Hong Hai and Mr Tan Soo Kiat, (of which Mr Tan Soo Kiat has abstained from the deliberation), is of the view that the Facility has been entered into on normal commercial terms, and is not prejudicial to the interests of the Company and its minority shareholders.

6 INTEREST OF DIRECTORS AND CONTROLLING SHAREHOLDERS

Mr Guo Wenfei, a Non-Executive and Non-Independent Director of the Company, is the vice president of business development (China) of Luye Life Sciences Group ("**LLSG**").

Mr Koh Boon How, the Alternate Non-Executive and Non-Independent Director to Mr Guo Wenfei, is the deputy chief financial officer of Luye Pharma Group Ltd ("**Luye Pharma**").

Mr Tan Soo Kiat, the Non-Executive Chairman of the Company, is a director of Intergate Pte. Ltd., which provides corporate advisory services to, among others, LMG.

LLSG, Luye Pharma and LMG have the same controlling shareholder, namely, The Asoka Trust. Mr Liu Dianbo, his spouse Mdm Wang Cuilian, and their daughters Ms Aona Liu and Ms Alina W Liu are the beneficiaries of The Asoka Trust and are deemed interested in the Shares that The Asoka Trust has an interest in.

Save as disclosed herein, none of the Directors or controlling shareholders of the Company and their associates has any interest, direct or indirect, in the Facility, other than through their respective shareholdings in the Company.

BY ORDER OF THE BOARD

Foo Soon Soo (Ms)
Company Secretary

1 March 2018

*This announcement has been prepared by the Company and reviewed by the Company's sponsor, Xandar Capital Pte Ltd (the "**Sponsor**"), for compliance with the Listing Manual (Section B: Rules of Catalist) of the Singapore Exchange Securities Trading Limited (the "**SGX-ST**"). The Sponsor has not independently verified the contents of this announcement including the accuracy or completeness of any of the information disclosed or the correctness of any of the statements made, opinions expressed or reports contained in this announcement. This announcement has not been examined or approved by the SGX-ST. The SGX-ST and the Sponsor assume no responsibility for the contents of this announcement including the correctness of any of the statements made, opinions expressed or reports contained in this announcement.*

Contact person for the Sponsor: Ms Pauline Sim (Registered Professional, Xandar Capital Pte Ltd)
Address: 3 Shenton Way, #24-02 Shenton House, Singapore 068805
Telephone number: (65) 6319 4954